

CITY OF HORSESHOE BAY

CITY COUNCIL PUBLIC MEETING

August 28, 2007

The Council of the City of Horseshoe Bay held a Public Meeting at City Hall, located at #1 Community Drive, Horseshoe Bay, Llano County, Texas, August 28, 2007, in accordance with duly posted notice of said meeting. Mayor Lambert called the meeting to order at 10:00 a.m. with a quorum of Council Members present as follows:

Robert W. Lambert, Mayor
James E. Babcock, Mayor Pro Tem
John Bird, Alderman
Karen Wines, Alderwoman
Richard Rantzow, Alderman
Jeff Robinson, Alderman

The posted agenda for this meeting is made a part of these minutes by attachment and the minutes are herewith recorded in the order the agenda items were considered with the agenda subject and item number shown preceding the applicable paragraph.

1. Call the Public Meeting to Order and Establish a Quorum: Mayor Lambert called the Public Meeting to order at 10:00 a.m. with a quorum present.
2. Budget Workshop: Mayor Lambert convened the budget workshop and welcomed all who were in attendance. He stated that the purpose of this workshop is to give the Council a status report of changes made to the budget as a result of the previous budget workshop and to discuss the utility rates. He reported that in accordance with state law, he filed the proposed budget with the City Secretary on August 17, 2007. He stated that the objective of the next budget workshop on September 6th is to fine-tune the budget in preparation for the final budget approval on September 18th. Mayor Lambert noted that both the Fire Department and Police Department are in the process of recruiting for the newly added positions discussed at the previous workshop and asked that if anyone had any reservations about the additional personnel they should discuss it at this time. There were no comments. He also noted that the addition of the two Firefighter positions that will be added the last six months of FY2008 will need to be approved by the City Council before hiring if the grant is not received. Fire Chief Fiero reported that although the City graded high on the grant for the Ladder Truck, we did not receive enough points to be awarded the grant. The Mayor asked that the Ladder Truck purchase and grant funds be removed from the budget. Chief Fiero noted that he will pursue the grant again next year. A brief discussion on the volunteer firefighter program followed. The Council then discussed the Capital Plan and the option of incurring debt to finance the Utility Fund capital needs. Mayor Lambert then discussed the current reserve requirements and advised the Council that information regarding reserve

requirements for FY2008 would be on the agenda for the September 18th meeting. The Mayor then reported that he and the Utility Rate Study committee of Mike Thuss, Jerry Lovelady, Julie Hanh, Dick Rantzow and Don Wood had met with Water Resources Management and that they will be prepared to present their final report to the Council at the September 6th budget workshop. He noted that they had done a good job of meeting the City's objectives of accomplishing the \$500,000 revenue increase in the utility fund and that their projections were very close to the projections calculated by Don Wood last year. He thanked the committee for a job well done. The Council further discussed the recommended rate structure based on class, as well as meter size, with volumetric tiers based on consumption. All were in agreement with this type of rate structure.

Regular Meeting Adjourned for a Recess: At 11:40 a.m., Mayor Lambert announced that the meeting would adjourn for a short recess.

Regular Meeting Resumed: At 1:00 p.m., Mayor Lambert reconvened the meeting.

Executive Session: At 1:00 p.m., Mayor Lambert announced that the Council would go into Executive Session pursuant to Section 551.071 of the Texas Open Meetings Act to seek legal advice on agenda item #3.

Regular Meeting Resumed: At 2:15 p.m., the Executive Session having ended, Mayor Lambert resumed the meeting and announced that no action or votes had been taken in the Executive Session.

3. Executive Session to seek Advice from Legal Council Regarding:
 - a. Removal from Moratorium and Zoning of 4.42 acres of property known as Marina Village located on HSB Boulevard Corridor, Zone 14, Llano County, Texas
 - b. Establishment of a Public Improvement District in Escondido Subdivision pursuant to S.B. 1535 (Defined Area Bond Legislation). No action was taken.
4. Adjournment: There being no further discussion, Alderman Robinson made a motion to adjourn the meeting. Alderman Rantzow seconded the motion and the meeting was adjourned at 2:15 p.m.

APPROVED this 18th day of September, 2007.

/S/
Robert W. Lambert, Mayor

ATTEST:

/S/
Toni Vanderburg, City Secretary